

SB 46 COMBINATION 1/21/1999 Adopted 1/21/1999

MR. PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 46, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

- Delete everything after the enacting clause and insert the following:
- SECTION 1. IC 8-1-13-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE: JULY 1, 1999]: Sec. 6. (a) Each corporation formed under this chapter shall have a board of directors that constitutes the governing body of the corporation. The directors must be members, **or if the corporation's bylaws so provide, a member's officers, directors, partners, or owners of sole proprietorships may be directors** of the corporation. ~~and; other than those Directors other than those~~ named in ~~its the~~ corporation's articles of incorporation shall be elected by the members entitled to vote for the directors. Unless the bylaws of the corporation provide otherwise, the directors shall be elected annually. The bylaws may provide that:
- (1) the directors may hold office for any stated period not exceeding three (3) years;
 - (2) the directors be elected so that the terms of only part of the directors expire at any one time; and
 - (3) only enough directors to succeed those whose terms are about to expire are elected in any year.
- (b) The bylaws may provide that the territory where the members of the corporation reside be apportioned into districts and prescribe the procedure by which the members residing in any one (1) district may nominate a director.
- (c) The bylaws may specify a fair remuneration for the time actually spent by its officers, directors, and members of its executive committee in the performance of their duties and provide that the remuneration be paid to the officers, directors, and members of the executive committee. The officers, directors, and members of the executive committee are entitled to reimbursement for expenses incurred in the performance of their duties whether or not the bylaws

- III provide that they be remunerated for their time spent in the
- III performance of those duties. The board shall annually designate and
- III elect those officers it considers necessary.
(Reference is to SB 46 as introduced.)

and when so amended that said bill be reassigned to the Senate Committee on Commerce and Consumer Affairs.

GARTON Chairperson